

MEDIA RELEASE

Iowa Department of Inspections and Appeals \$ Lucas State Office Building \$ Des Moines, Iowa 50319-0083

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DIA Permits The Abbey to Reopen With Conditional License Under New Ownership

DES MOINES, IOWA – A Des Moines area nursing facility whose operation was suspended by the Iowa Department of Inspections and Appeals (DIA) this spring will be permitted to reopen under new ownership pursuant to the terms of a consent order negotiated by the Department and agreed to by the facility's new ownership. The consent order addresses all issues pending at The Abbey at the time DIA suspended its license to operate a nursing facility.

“The Department recognizes the special needs of the community and the residents and families adversely impacted by the suspension of The Abbey's license and removal of the residents,” DIA Director Steve Young said. “We also recognize the mutual interests in ensuring the safe and orderly transition to operation.”

Under the conditions of the consent order, The Abbey will be permitted to reopen and operate under tightly monitored parameters, including limitations on the number of residents that can be admitted, Director Young explained. Nearly 40 residents were removed from The Abbey on April 2, 2004, after the Department determined that the residents were in immediate jeopardy of harm or injury.

The consent order lays out very specific conditions The Abbey must follow in order to regain and retain its license to operate a nursing facility. Among the conditions placed on The Abbey's reopening are:

- The facility's previous owner and administrator, Dennis Olson, must never have any ownership interest, legal, equitable or otherwise in the operation of the new facility.
- The Abbey must complete and submit all forms necessary to reflect the change of ownership and must also disclose all persons with any interest in the new operation.

- The Abbey must pay all applicable state or federal fines imposed as a result of previous enforcement actions against the facility.
- The facility also will be subject to numerous conditions on its operation, including DIA approval of its management staff and random, unannounced state inspections.

Upon receipt and approval of the change of ownership, the Department will issue a conditional license to The Abbey for the admission of not more than 20 residents. The conditional license will be valid for a period of 120 days, during which time the nursing facility may file an application to be certified for the Medicare and Medicaid programs. During the initial days of operation, The Abbey will be subject to random monitoring by the Department in order to verify that all the problems that triggered the enforcement actions have been corrected.

“The facility must be able to prove that it can operate within substantial compliance with all state and federal rules and regulations before the Department will place The Abbey on a 60-day reasonable assurance period for federal certification purposes,” the Director explained. If the facility is able to continue operating in substantial compliance with state and federal law requirements, the conditional license will be extended for another 120 days and modified to allow The Abbey to admit up to 40 additional residents. A full, unconditional license may be issued to the facility following the successful completion of the second 120-day period.

“Be assured, however, that DIA will be very diligent in its monitoring of The Abbey’s operation to assure the residents are receiving the appropriate level of care in a safe and secure environment,” Director Young concluded.